26 September 2022

Explanatory Cover sheet - Detailed transition plan and Budget for 2023

The purpose of this document is to present the detailed 2023 transition plan of the outgoing Consortium and the corresponding budget and seek approval from the Governing Board for this 2023 / IATI Year 10 budget. This revision takes into account foreseeable transition activities related to the hosting mandate end date of December 2022, following the decision by the Board to re-open the process of identifying new hosts from 2023. It also contains the draft text of decisions to be approved by both the Governing Board and the Members' Assembly, without which the consortium members will not be able to access existing IATI funds to render IATI services in 2023.

The paper sets out the background thinking of the Secretariat and the process and principles for preparing the transition work plan and budget which can be seen in the annexed detailed spreadsheet. Summaries from the transition work plan are presented per workstream in this cover sheet, with notable differences from previous years highlighted and summarised here:

- Personnel costs are higher than usual due to the possible need for consortium partners to hire contractors (as longer-term staff contracts could not be offered);
- The budget includes funding for activity 2F: "New activity on direction of Board: Establishment of a strategic partnership with Publish What You Fund to support the preparation of the 2024 Aid Transparency Index.".
- The transitional work plan does not include collection of membership fees for 2023, because without clarity on who new hosts will be, it cannot be guaranteed that UNOPS can smoothly and promptly transfer the balance of funds to new hosts while remaining in compliance with UN Financial Rules and Regulations. The cover note sets out how funds carried over from 2022 and earlier years can fully cover the transition work plan.
- The decision to draw upon the IATI Trust Fund balance to finance the 2023 transition budget would not prevent individual members from requesting a return of unspent contributions at the end of 2022. However this would result in those members no longer being considered as members in good standing, and this is particularly relevant in relation to any vote on future hosts.
- Nearly all of the spending in the Transitional Work plan and Budget is to occur in quarter 1 and quarter 2 of 2023. The only spending planned for quarter 3 and quarter 4 was intended for UNOPS to implement the financial and operational closure of the existing hosting arrangement. The Secretariat has clarified that this package was developed based on the assumption that new hosts would be selected in November and in place from January onwards. Since a decision in a 22 September Extraordinary Board Meeting it's confirmed that this is no longer the case, and the Board acknowledges that further budget revisions will be needed.

1. The Board has **approved** this detailed transition plan and budget giving the three consortium partners the best chance to ensure that staff capacity / retention for the 2023 transition phase can be covered along with other fixed cost items, in preparation for the handover to new hosts.

2. The Board **recommends approval by members** to draw upon the IATI Trust Fund balance to finance the 2023 transition budget. This is to be done formally through written procedure following IATI SOP 3.4.2.

Key follow-on administrative actions are dependent on receiving these approvals **by October 12th**.

Background to development of 2023 detailed transition plan and budget

This transition work plan represents a preliminary "bare bones" plan and budget for 2023, the transition year in which the current Secretariat hosts will hand over the responsibilities to new incoming hosts. All consortium partners are committed to ensuring a smooth handover to new hosts, and share the understanding that IATI basic operations ("business as usual") must continue uninterrupted throughout the transition from one host to another and without the risk of compromising IATI's long-term sustainability.

Several assumptions were made in the development of this work plan and budget before different aspects of the handover period were clear. These include the timeframe for the beginning and end of the transition; who the recipients/new hosts would be, and with what institutional capacity, for example.

Assumptions underpinning the transition plan and budget

The **institutional set-up for 2023** is expected to be different from the one under which the current hosting arrangement has operated so far, and the following assumptions have been made:

- Coordination arrangements for planning, budget, and implementation, and the related overall programmatic accountability of the Consortium to the Governing Board for delivering results - will change from January 1st, 2023. The plan will be delivered by three consortium partners under overall coordination and monitoring by the Governing Board, through the Transition Manager currently being recruited. Each consortium partner remains accountable for executing activities in their respective portfolios, based on the 2023 transition workplan and budget, once approved.
- All three consortium partner organisations will continue to collaborate at the working level to deliver certain joint activities, under the overall direction of the Transition Manager.
- The existing financing arrangements will be used for 2023. This means that UNOPS, using the existing UNOPS IATI Trust Fund balance, will transfer resources to UNDP and DI in a timely manner for the implementation of the 2023 work plan, subject to approval by the Members' Assembly for the use of funds beyond the 31 December 2022, the current end date stipulated in funding agreements between UNOPS and members.
- UNDP will coordinate the preparation of the annual report on the final year, 2022.

- UNOPS will coordinate the financial closure and prepare the final certified financial statements, after which the IATI Trust Fund will be closed.

As indicated in the June transition plan document "The duration of the transition phase (and the related operational closure) will depend on who will be selected as the new host" and when the new host will be able to assume its function. For the purpose of the preparation of this document, the **following assumptions on the timeline** have been adopted.

- By October 12th, 2022, the Board will formally confirm its agreement to this detailed 2023 transition plan and budget, thereby facilitating the timely release of 2023 financial resources to the consortium members.
- By October 12th, 2022, the Members' Assembly will have virtually approved the use of the IATI Trust Fund balance for financing this 2023 transition plan and budget (see Annex 1) through formal written procedure.
- By mid-September, the Governing Board will formally confirm its decision to postpone the planned November 2022 in-person Members' Assembly, to tentatively Q1/Q2 2023. This postponement will allow sufficient time for search and selection processes to be concluded in time for members to make a formal decision on appointment of new hosts.
- A period of approximately six months from the identification of new hosts will be sufficient for the handover to the new hosts and the operational closure of consortium activities.
- Without knowing yet who the new hosts will be, the draft budget aims to cover the costs of the necessary personnel of the consortium members involved in IATI operations and transition, for the period of January to June 2023; and
- Without a clear date for the postponed in-person Members' Assembly originally included in the 2022 revised budget for Q4, the same level of budget has been included in the transition budget for 2023 (tentatively Q1/Q2). budget.
- Once these details are clear, further budget revisions can be made in consultation with the Transition Manager, who by then is expected to be on board. This will be subject to the availability of financial resources, in case the changes involve a budget increase.

In terms of **the use of the current Trust Fund balance,** the following assumptions have been made:

- The expected Trust Fund balance at the end of 2022 will be around USD 3 million based on a 100% delivery rate of the most recent budget (which excludes the costs of a 2022 MA) and taking into account contributions received up to 5 September. Contributions in the amount of $471,200 are expected to be received by the end of December 2022, therefore the expected Trust Fund Balance will most likely increase.
- A high rate of delivering the 2022 work plan results and budget, which the consortium strives to achieve, will result in this low Trust Fund balance.
- Whilst continuing to work towards 100% delivery, many uncertainties remain that may undermine best efforts. Higher delivery results in a reduced fund balance to be handed over in 2023, since no further income will be received in the Trust Fund past December 31st, 2022.
- All unspent funds will be available for the new hosts, on the condition that members agree to this proposed use of the unspent fund balance. Members' Assembly approval is required since this use of unspent Trust Fund is not anticipated in contribution agreements signed by UNOPS with the individual IATI members, which states as follows: "UNOPS shall return to the Donor the balance of the Contribution which has not been spent or committed at the time of termination on a pro rata basis, unless otherwise agreed by the IATI Members' Assembly".

Key risks, in the event these assumptions prove to be incorrect

Risk	Consequence	Mitigation
Governing Board and Members' Assembly (or even some individual members) will not approve the use of the existing IATI fund resources beyond 2022 (see Annex 1)	Insufficient financial resources available for consortium members to render IATI services in 2023	Advocate for collective agreement of members to approve use by current consortium of 2022 funds for an extended period in 2023
Assumptions on the timeline (for appointing new hosts) prove to be too optimistic	A period of extended 'in limbo' negatively impacts staff morale and accelerates the rate of staff attrition (already underway since Q1/2022). Given the joint nature of the work carried out across the Secretariat, any further loss of capacity may strain the consortium members in simultaneously trying to deliver, while also handing over to the new hosts. Capacity gaps would need to be filled either by reallocating from other tasks, engaging more costly consultants, or temporarily using capacity from elsewhere in the consortium partners	Provide as much clarity as possible, as early as possible, to all stakeholders. This is particularly important for avoiding staff attrition, given the strength of the labour market.
Limited fund availability at the end of 2022.	While the fund balance is expected to cover all currently planned transition and closure activities (even with 100 % delivery against the Q3 and Q4 work plan), and accommodate the costs of a delayed transition or for the start-up phase for new hosts, there is little fund remaining for meaningful activities, and an associated reputational / communications risk for IATI.	New hosts to prioritise collection of funds for implementation of 2023 activities beyond 'bare bones'

Given these risks, this budget does not allow for any activities beyond the 'bare bones'. As already indicated in the June revision of the 2022 work plan and budget "Activities scheduled for Q3 and Q4 with a medium- to long-term horizon that would not be concluded by the end of the mandate period will not be started but will instead be placed on hold for new hosts. Flagship activities to highlight here are the **Data Quality Index**, for which two out of three phases of consultation have been concluded, and the third round of consultation - as a joint activity - will not be launched in 2022, and implementation (i.e. of

the Index itself) similarly will not be done in 2022. The second flagship activity that will not be taken forward in 2022 is the development of a **new data portal.** For this activity several pieces of preparatory work have been completed, but the next steps require both methodological and technical input, and as such cannot be taken to conclusion in 2022." Beyond the above activities already placed on hold, decisions of MA or GB together with new hosts may result in other flagship activities that are currently underway being cancelled or reformulated if they are unfinished before year end. No budget allocation has been made for these in 2023, with the exception of the in-person Members' Assembly, assuming the postponement is formally confirmed.

The following pages set out the key 2023 transition and closure activities for current hosts to help to 'keep the light on' while the handover to new hosts is underway. All other activities have been removed from the 2023 work plan, including the 2022 flagship activities included in the June 2022 budget revision and other activities that were originally planned for 2022 but not started. Steps will continue to be taken in respect to medium- to long-term activities that could not be completed under the current mandate, to carefully package preparatory inputs and materials for handover to new hosts.

Broad objectives of the 2023 work plan and budget

Within the broad framework set by the 2020-25 Strategic Plan, the 2023 work plan and budget focus on three objectives that suit the transition period:

1. Ensure smooth continuation of the **'keeping the light on'** activities in the first six months of 2023, while the handover to the new hosting arrangement is taking place, or 'keeping the lights on'.
2. Ensure a smooth, efficient, and effective **handover of activities**, tools, systems, documentation etc. to the new hosting arrangements in the first six months of 2023.
3. Proceed with the **closure activities**, i.e., operational closure of the activities of the outgoing hosting arrangements including final annual report by the end of June 2023, followed by a full financial closure, tentatively by the end of 31 July 2024.

Fund availability for Y10

The minimum funds in the IATI Trust Fund available for the implementation of the Y10 work plan and budget amount to USD $3,040,566 (including the USD $1m contingency reserve) by year end (2022), consisting of 100 % of the minimum cash carry-over from previous years including the interest earned in the trust fund for the period 2013-2022. The minimum carry-over as of December 2022 is calculated based on reported expenditure for Q1 and Q2 and 100 % utilisation of the Y9 revised budget for Q3 and Q4 and the actual contributions received up to 5 September 2022. Yet there are contributions in the amount of $471,200 to be received by the end of Dec 2022. This amount is the project cash balance that also includes the unspent balance, (if any) that remains with Consortium Partners.

Even this most prudent scenario still leaves enough financial room to fund an allocation for the new hosts out of the USD $1m contingency reserve. In line with the approved transition plan which foresaw the start of the new hosting arrangement on 1 January 2023, the 2023 income from memberships and voluntary contributions was to be collected by the new hosting arrangement. Hence, no new income (apart from interest) could be expected to be deposited in the UNOPS held Trust Fund account after 31 December 2022.

Income	
Opening balance	$3,923,565
Membership contributions received up to 05 Sep 22	$2,761,705
Voluntary contributions received up to 05 Sep 22	$126,369
Membership contributions to be received*	$0
Voluntary contributions to be received	$0
Interest	$0
Residual funds	$0
Total income:	**$6,811,639**
Expenses	
Project Expenses by Q2	$1,456,442
Management Fees by Q2	$93,226
Estimated Expenses to 100% per quarter (Q3,Q4)	$2,098,174
Estimated Management Fees to 100% per quarter (Q3,Q4)	$123,231
Total project expense including the estimates of Q3 & Q4	**$3,771,073**
Income minus Expenses (A-B) including the reserve fund	**$3,040,566**
Reserve fund	**$1,000,000**
Estimated Fund Surplus (excluding Contingency Reserve)	**$2,040,566**

- Note : Please note that we have used the <u>reported expenditure of Q1 and Q2</u> and provided the estimated expenditures of Q3 and Q4 with the spending rate of 100%
- Contributions in the amount of $471,200 are expected to be received by the end of Dec 2022

Proposed budget for Y10 (2023)

The proposed budget for Year 10 amounts to $ 2,302,188 (excluding Contingency reserve). Once the budget is approved by the Governing Board, the Members' Assembly will need to give its approval for the use of the carry-over balance for this purpose. The proposed text to be approved by the Members' Assembly is at Annex 1.

The remaining unspent balance can be transferred to the new hosts, provided that the Members' Assembly confirm their agreement with this transfer and appropriate mechanisms are in place.

Y10 Proposed Budget (excluding in-kind contributions) and minimum fund balance

Minimum project cash-carried over 2013-2022*	$3,040,566	
Proposed budget Year 10 (no contingency reserve)		$2,302,188
Minimum fund balance for transfer to new hosting arrangement	$738,378	

The transition budget developed based on the assumption that handover would take place in Q1 & Q2 of Y10 (2023) is heavily front-loaded in Q1 and Q2. The budget for Q3 and Q4 (2023) is for now focused only on closure activities. Y10 Proposed Budget per quarter (excluding in-kind contribution by UNDP).

Total: Q1-Q4 2023	Q1 2023	Q2 2023	Q3 2023	Q4 2023
$2,302,188	$938,097	**1,197,552**	$112,095	$54,444

The table below shows the breakdown of the proposed budget for Year 10 into workstreams. A high level comparison of the approved June 2022 budget and the proposed 2023 budget in terms of budgetary allocations to each of the three consortium partners, and to activities and staff can be found in annex 2.

Y10 Proposed Budget per workstream (excluding in-kind)

Workstream	Total	Staff	Activities (incl. consultants)	Responsible partner
1 Partner Country	$57,085	$25,085	$32,000	UNDP
2 Data Quality	$393,393	$26,375	$367,018	DI/UNOPS
3 Data Use	$56,861	$38,261	$18,600	UNDP
4 Technical Core	$316,617	$197,837	$118,780	DI/UNOPS
5 Community	$88,956	$41,018	$47,938	UNDP
6 Communications	$122,552	$107,552	$15,000	UNDP
7 Outreach	$77,885	$67,885	$10,000	UNDP
8 Institutional	S442,285$	$80,674	$361,611	UNDP/UNOPS
9 Admin.	$414,848	$283,995	$130,853	UNDP/DI/UNOPS
10 Transition	$194,372	$86,042	$108,330	UNDP/UNOPS
Mgt fees	$137,335			UNDP/UNOPS
Total	**2,302,188**	**$954,724**	**1,210,130**	

Transition work plan high level overview and key adjustments

The following extracts from the work plan show the budget for each work stream (staff and activity budget combined), along with a brief explanation of rationale for the budget. Notable differences when compared to previous years' budgets are highlighted, and where there are significant risks resulting from the scaled back work plan and budget, these are flagged for information of Board and members, with mitigation measures wherever possible.

As a general principle in preparing this scaled back work plan, activities considered essential to sustain IATI are continued, without taking on new work unless it can be concluded by the point of handover to new hosts, i.e. from January 2023 (TBC). The Secretariat and Board are aware of risks of operating for an extended period without undertaking new activities needed by an increasing publisher and user base, and will take measures to mitigate these risks when they pose a real danger to the future of the initiative.

Strategic element 1: Partner Country Support

Proposed Y10 budget: $57,085 (staff and activities)

Partner country support work in 2023 will focus on ensuring continuity in engagement and support, particularly through training on and support to access and use available tools, including the Country Development Finance Data tool (CDFD) and d-portal. Face to face and virtual engagements in 2022 have built awareness of IATI data among IATI members and non-members. In addition, there has been increased interest from many governments and civil society organisations to begin using IATI data to supplement their own national data. Budget in this workstream funds the maintenance and improvements to the Country Development Finance Data (CDFD) tool, to ensure it continues to meet the needs of the expanding numbers now using it, and enables learning that can be used to inform the development of the new data portal when that activity gets underway.

> *Risks: Successful outreach in 2022 has led to increased calls for support, training and membership actions such as onboarding for new publishers and users. A limited work plan and reduced work force in early 2023 will jeopardise ability to leverage these new opportunities and respond to incoming requests for support in accessing and using IATI data.*

Strategic element 2: Improve the Quality of IATI Data

Proposed Y10 budget: $393,393 (staff and activities)

The work plan and budget will enable the technical team to continue the business critical Data Quality activities, e.g. support to new and existing publishers via the IATI Helpdesk and virtual support meetings/calls; assisting with org-IDs for new publishers: maintaining Business Analyst product ownership for tools in the IATI Technical Estate, both internal and external; etc. With a short and finite contract period and a very strong labour market, the team has been unable to attract permanent staff (flagged during the preparation of the June 2022 budget revision). The Business Analyst team will therefore be made up of consultants instead of staff, although one DI analyst who is very familiar with IATI will continue to work on the IATI tech team for three days per week throughout the transition period).

Increased personnel costs: Use of consultants instead of staff increases technical team personnel costs. Institutional knowledge continues to wane when consultants pass through on short-term contracts. Mitigating actions, such as ongoing knowledge sharing, transfer and documentation, will be taken to reduce this risk but it is considerable. In addition to losing knowledge there is the potential impact of having to hire and induct new staff if a contractor leaves.
Comparison with 2022 Upon direction of the Governing Board, budget is increased beginning 1 November 2022 for a two year period by the addition of a new activity to cover establishment of a potential strategic partnership to support the preparation of the 2024 Aid Transparency Index.

Strategic element 3: Promote Systematic Data Use

Proposed Y10 budget: $56,861 (staff and activities)

Proposed activities for early 2023 build on foundational work undertaken over the past two years to generate a robust offer for data users. These activities have included development of the CDFD tool now in use by different categories of data users, meeting a need to query and analyse data which could not be met using existing tools. Our engagement with data users in 2022 has led to an increasing number of requests for support and training for all types of data users. Continuing to service these requests by interested data users is considered essential for moving towards systematic data use. Engagement through the use of the CDFD tool enables the Secretariat to learn from new data users of all different types, and this learning is available to inform the methodology for future development of a new data portal.

> *Strong foundations are now in place after a period of focus on development of tools, guidance and training materials, as well as data quality improvement work over the past couple of years. With a clear offer for data users and robust new case studies in data use, the second half of the Strategic Plan period was planned as the opportunity to increase awareness and expand outreach to more development and humanitarian users. Those activities are now on pause to be taken forward by new hosts.*

Strategic element 4: Consolidate Technical Core

Proposed Y10 budget: $316,617 (staff and activities)

The budget for this element focuses on the ongoing costs of hosting and maintaining our internal and external technical tools, including the new IATI Publisher Tool which is due to be ready for use at the end of 2022. An activity for additional consultant/developer support as required has been included, in line with what was budgeted for Q3/Q4 2022.

> *All tools currently sitting within IATI's unified platform are stable and will remain available, although minimal improvements or new features will be made during the period of transition. External tools will also continue to be supported but a long and/or uncertain transition period could cause some concern to suppliers.*

Strategic element 5: Strengthen the IATI Community

Proposed Y10 budget: $88,956 (staff and activities)

Members agreed in 2019 to strengthen the Community by increasing opportunities for engagement with members throughout the year (not just during physical meetings) and more systematically through online Communities of Practice(CoP) and Working Groups. In response the Secretariat launched and promoted IATI Connect, and has held a series of Virtual Community Exchanges to bridge the Covid period of travel restriction. The Board approved a set of proposed improvements (the IATI Connect Roadmap) in March 2022, setting new ambitions and activities to increase active engagement. During a period of transition it will be ever more important to offer continuity through engagement with members. Communities appear on the face to be self-sustaining; however both online COPs and events require a lot of work behind the scenes through active management.

> *Additional costs cover the consultancy cost of the Community Manager who manages COPs, implementation of the Roadmap and the delivery contract for IATI Connect, as well as hosting, maintenance and development of the platform. No significant increase is foreseen for these activities.*

Strategic element 6: Communications

Proposed Y10 budget: $122,552 (staff and activities)

The communications portfolio covers preparation of regular newsletters and members bulletins, website content, dedicated strategies around product launches/consultations/testing/downtime, social media monitoring, responses to media information requests, as well as development of the Annual Report. As the public face of IATI these activities are considered to be essential work, particularly when sensitive messaging around future hosting and other Board decisions is required.

> *The June budget revision included approval for additional consultancy support for the Communications team in view of the increasing need for careful and regular communications with members at this time. Recruitment for that consultancy position is underway at UNDP.*

Strategic element 7: Outreach and Engagement

Proposed Y10 budget: $77,885 (staff and activities)

Activities in this workstream are significantly reduced, and add no new proactive outreach efforts which are seen as a lesser priority. However, the Secretariat continues to receive frequent requests for briefings, information on IATI data, systems, tools, membership, talking points, presentations. Servicing these requests will be important to maintain an active profile for IATI during the entire period of transition into new hands. Minimal activity costs are included to cover interpretation for a range of meetings requested by non-Anglophone interlocutors.

> *Personnel costs for this activity remain unchanged, and will focus on ensuring IATI remains visible in international processes and fora; however no new activities with costs attached will be undertaken in 2023.*

Strategic element 8: Institutional Arrangements

Proposed Y10 budget: 442,285(staff and activities)

During the change in hosting arrangements, governance activities will not reduce and are in fact likely to expand. Throughout the transition period, support for governance bodies will continue to be needed, including preparation of agendas, policy papers and briefings for Board meetings both in person and online, members meetings and consultations; talking points and travel facilitation if needed for engagements by Board members in different international fora; and support for Working Groups.

> *Costs in this workstream are increased during the transition period (Q1/Q2 2023) through the shift of the in-person Members' Assembly out of the 2022 work plan and into the 2023 work plan.*

9. Administration and Enabling Actions

Proposed Y10 budget: $414,848 (staff and activities)

During the transition period it is increasingly important for the outgoing hosting arrangement to deliver together as one, and to remain agile and responsive to requests for support by governance bodies. Budget is included here for travel for in-person meetings for team cohesion and knowledge transfer, as well as meetings that may be requested by the Transition Manager. This workstream also covers recurring costs of subscriptions, translations, project management tools etc. Further, this workstream provides for the needed capacity to ensure a smooth and efficient financial closure process.

10. Transition activities

Proposed Y10 budget: $194,372 (staff and activities)

The primary activities cost here is for the recruitment of a Transition Manager on a full-time basis to work for the Board and be accountable for delivery of transitional activities by the different Secretariat entities, including those of incoming hosts.

> *Recruitment of this key position is underway in 2022 (October)*

Management fees

Proposed Y10 budget: $ 137,335

UNDP and UNOPS will charge management fees to cover indirect costs, in line with their normal policies and procedures.

Summary of key adjustments in staffing and use of staff time

UNDP personnel budget and rationale:

While no new activities are added in 2023, delivering all activities in the revised work plan for 2022 to the highest possible standard will require all hands on deck, with no slowdown or reduction to UNDP's workload. The bulk of transition activities for UNDP involve meticulous documentation and knowledge transfer by the entire team, which will get underway as soon as new hosts are identified. This process is expected to take six months while new hosts get up to speed.

DI personnel budget and rationale:

DI anticipates needing the following personnel in 2023: First, the Project Manager (budget/finance) and Technical Lead will carry on until all handover has been completed and accordingly have been budgeted for 9 months in 2023. Second, three months of the Product Delivery Manager was budgeted, to ensure successful operationalizing of the new IATI Publisher tool and to input on product transition at the start of 2023. Third, for Developers, DI will have its current senior developer through the start of January; then two developers will carry on throughout the transition period. Fourth, as mentioned above, DI will need to use Business Analyst consultants instead of staff for the six month transition period in 2023, with the exception of one DI analyst for three days/week throughout the transition period.

UNOPS personnel budget and rationale:

The project team is expected to be on board in 2023 to ensure continuity of business as usual, the smooth transition and the proper project closure. The Transparency Officer is expected to be on board until the end of Q3 , the project team is expected to be on board for the entire year 2023.

Annex 1: Draft decisions for Written Procedure by Members

UNOPS, as IATI Fund Trustee, requires the specific authority of the Members' Assembly, upon the recommendation of the Governing Board[1], to use fund balances currently held by UNOPS and managed in trust for IATI members following the expiration of the current hosting mandate on 31 December 2022. Current authorisation for use of the fund is based on existing membership contribution agreements signed with UNOPS, which expire with the mandate of the Secretariat consortium on 31 December 2022.

Authorisation of members is further required to implement the transition work plan based on the budget presented by current hosts, upon receiving the recommendation of the Governing Board for this transition period covering 1 January - 31 December 2023.

Please see below a detailed breakdown of the decisions requiring approval of the MA, following recommendations from the GB:

> **Decision 1: IATI transition management**
> > The IATI Secretariat in close consultation with the Governing Board has prepared a transition plan and budget in which uninterrupted service is provided to IATI during a gradual handover period, while new hosts are coming on board and getting fully up to speed. The Plan will be

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[1] In view of the interlinkage between work plan, budget,mandates and use of funds, and given the importance and sensitivity associated with these decisions, it is suggested that the MA as full representation of all IATI members takes proposed decisions.

further defined once new hosts are identified, under the guidance of a Transition Manager currently under recruitment and accountable to the Board. Until further details are known, the current Secretariat estimates that transition and closure of management activities of the current consortium will take a period of six months following the identification of new hosts. Operational closure by UNOPS would require additional time once all other activities are concluded, and based on current estimates, would be completed by 31 December 2023. The attached 2023 transition work plan and budget provides a detailed reflection of the above.

> A. *The IATI Governing Board has reviewed and approved the detailed transition work plan and budget, in line with its responsibilities as set out in the IATI SOP Section 4 (4.5 & 4.7)*
> B. *Members are requested to endorse the transition work plan and budget in principle, based on the recommendation by the Board)*

Decision 2: Extension of the outgoing consortium members mandates for providing IATI services
In view of the mandate expiration for IATI hosting and implementation services of the current consortium between UNDP, UNOPS and DI on 31 December 2022, and in order to ensure uninterrupted continuity of IATI services to its membership and community, it is necessary to extend and approve the revised mandates of the outgoing consortium members until 31 December 2023. The outgoing consortium members will provide their services based on the work plan and budget, approved under 1.

> A. **In line with its responsibilities as set out in the IATI SOP Section 4.4.8, t**he IATI Governing Board recommends *extension of the mandates of consortium members for providing IATI services,*
> B. *Members are requested to approve the mandate extension for providing IATI services beyond the current mandate period (31 December 2022) for a period of one year.*

Decision 3: Use of contributions
Contribution agreements are entered into by UNOPS, as IATI trustee, in line with the IATI hosting terms and UNOPS role specified in the IATI SOPs, for the collection of annual membership fees and donations for IATI services in line with an approved work plan and budget. The validity is specified in the individual membership agreements. UNOPS currently holds funds for IATI Year 9, 2022 (Y9), under a mandate expiring on 31 December 2022.

> A. *The IATI Governing Board recommends approval of the use of IATI funds beyond the period of the current mandate expiring on 31 December 2022, for an additional period between 1 Jan-31 Dec 2023, with funds to be used for the specific purpose as identified and approved under Decision 1 above.*
> B. *Members are requested to approve use of IATI funds based on the recommendation from the Governing Board and under the terms set out above[2].*

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[2] The decision to draw upon the IATI Trust Fund balance to finance the 2023 transition budget would not prevent individual members from requesting a return of unspent contributions at the end of 2022. However this would result in those members no longer being considered as members in good standing, and this is particularly relevant in relation to any vote on future hosts.

Once the members of the outgoing consortium have implemented the agreed activities financed from Y9 contributions in 2023, the Transition Manager will conduct a review of the transition process to confirm all agreed activities have been concluded. At that point on the recommendation of the Governing Board, the Members' Assembly will be requested to approve the transfer of the unspent funds to the new host for IATI operations in line with the new hosts' agreed work plan, as soon as requested to do so.

Annex 2: Comparing 2022 and 2023

	2022 work plan -June 2022 revision (12 months) *		Proposed 2023 transition work plan (6 months)		2023/2022 (in %)
	in cash	in kind	in cash	in kind	
DI - activities	247,000		121,600		
DI - activities (BA consultants)	258,002		214,018		50%
DI - staff	754,108		298,079		
UNDP - activities	837,791		249,451		
UNDP - activities (transition mgr)	95,000		98,330		43%
UNDP - staff	776,026		439,789		
UNDP mgt fees	136,705		63,006		
UNDP - in kind staff		395,890		187,960	47%
UNOPS - activities	$414,722		$526,730		
UNOPS - staff	345,509		216,858		96%
UNOPS mgt fees	$89,285		$74,330		
Total	**3,954,151**		**2,302,188**		58%
of which (in cash only)					
Activities	1,499,513		897,7830		60%
Staff + transition mgr + BA consultants	2,228,647		1,267,072		57%
Mgt fees	225,990		137,336		61%

Annex 3 - Comparison budget 2022 June revision - Proposed budget 2022 September revision

	June 2022 revision		Proposed September 2022 revision		Sep 2022/June 2022 (in%)
	in cash	in-kind	in cash	in-kind	
DI activities	247,000		247,000		100%
DI activities (BA consultants)	258,002		258,002		
DI staff	754,109		754,109		
UNDP activities	837,791		837,791		100%
UNDP activities (transition manager)	95,000		95,000		
UNDP staff	776,027		776,027		
UNDP in-kind		395,890		395,890	
UNDP mgt fees	136,705		136,705		
UNOPS activities	582,501		414,722		82%
UNOPS staff	345,509		345,509		
UNOPS mgt fees	102,707		89,285		
Total	4,135,352		3,954,151		96%
of which (in cash only)					
Activities	1,667,292		1,499,513		90%
Staff+transition mgr+BA consultants	2,228,647		2,228,647		100%
mgt fees	239,413		225,990		94%

Comparison budget 2022 June revision - Proposed budget 2022 September revision per workstream

Workstream	June 2022 revision	September 2022 proposed revision	Difference	Sep 2022/June 2022 (in%)
1. Partner Country Support	170,000	170,000	-	100%
2. Improve the Quality of IATI Data	**261,002**	**336,002**	**75,000**	**129%**
3. Promote Systematic Data Use	202,200	202,200	-	100%
4. Consolidate Technical Core	324,000	324,000	-	100%
5. Strengthen the IATI Community	**240,975**	**254,907**	**13,932**	**106%**
6. Communications	104,000	104,000	-	100%
7. Outreach and Engagement	-	-	-	100%
8. Institutional Arrangements	**430,041**	**173,330**	**(256,711)**	**40%**
9. Administration and Enabling Actions	193,076	193,076	-	100%
10. Transition activities	95,000	95,000	-	100%
Secretariat personnel	1,875,644	1,875,644	-	100%
Management fees	239,413	225,990	(13,422)	94%
Total budget	**4,135,351**	**3,954,149**	**(181,201)**	**96%**

- *The calculation for the 2022 budget includes: 1. Cost for a potential strategic partnership for two months in 2022 (Governing Board instruction; 2) A correction adding the cost of the second / final phase of implementing planned CSO training course (UNDP activity) 3) Reduction of the cost of the planned in-person MA (Governing Board instruction). This is important to mention as this budget is not included in the approved revised budget of 4.1m from 2022.*